

Figure 1 Grenfell Tower inquiry hears fire commander failed to carry out required checks

GOLD COAST

Gold Coast unit owners could be hit with massive bills over new cladding laws

Kirstin Payne, Gold Coast Bulletin October 5, 2018 12:00am Subscriber only

GOLD Coast unit owners are bracing to fork out hundreds of thousands of dollars for reparation works under the State Government's new combustible cladding laws.

The Queensland Building and Construction Commission (QBCC) has written to the owners of 1300 Gold Coast buildings, asking for them to investigate the materials used in homes or face fines of up to \$20,000.



Figure 2 In this image taken by eyewitness Gurbuz Binici, a huge fire engulfs the 24 story Grenfell Tower in Latimer Road, West London on June 14, 2017.



Figure 3 (FILES) In this photo taken on June 18, 2017, unburned lower floors with untouched cladding in place are seen with the burnt out upper floors of the Grenfell Tower block in North Kensington, west London. / AFP PHOTO / Tolqa AKMEN

WHY THESE COAST UNITS ARE SO POPULAR

Of those 1300 letters, 217 were sent to body corporates.

The QBCC estimates 12,000 private buildings across Queensland would have to be reviewed, but believed most buildings were safe.

However, peak residential groups warn that the owners of those buildings found with defects would have to foot the reparation bills to stop a repeat of last year's devastating Grenfell tower disaster in London, claiming 72 lives.

"It is a massive issue which could cost building owners who have this cladding thousands to rectify, or damage the price of their property," said Burleigh Heads unit owner Mike Murray, who has been part of the QBCC stakeholders committee discussing the new cladding laws.

"Some unit owners might be looking at levies of up to \$100,000 each from their body corporates to fix the work.

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"A majority of unit owners on the Gold Coast are retirees. They simply don't have thousands just sitting around."

Unit Owners Association Queensland president Wayne Stevens said owners could pursue builders for the fees through legal action. However, in some cases the warranties may have expired or the company is no longer operating.

"Our community must learn from London and the obligations are very serious, but this is a huge cost."

Mr Stevens said he did not believe the State Government would foot the reparation costs.

"Possibly there could be recourse and we would like that, but I don't believe it has been considered.



Figure 4 Wayne Stevens. Pic Jono Searle

The responsibility for disclosure of the unsafe materials could also affect sellers who hope to get out of the market before the litigation storm hits.

Frank Higginson, director of Hynes Legal, said real estate agents and sellers had a statutory obligation to disclose defects.

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"Absolutely this will cost money if your building is found to have nonconforming cladding.

"In my view, if there are potential defects, a unit owner is required to disclose that to a buyer."

Johnathan Barnett, of the fire safety engineering and forensic engineering firm Basic Experts, said reparation costs in other states have run into the millions.

"I know of a 24-storey building that has \$11 million in rectification works, so it does not come cheap," he said.

Mr Barnett said not all buildings identified with the combustible cladding may need to have a complete removal of the material.

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"None of this is simple. The cost is high but it depends on the case as to who pays for it.

"I imagine in many cases the owner may have to pay, but the identification in Queensland is a step-by-step process, where qualified professionals put forward a proposal.

"Once determined, an owner needs to decide if they want to go ahead with the rectification works, though a document stating the building is unsafe might be enough."

QBCC Commissioner Brett Bassett has called on building owners and bodies to move quickly.

"We anticipate that most buildings will be safe, however all private buildings within scope

need to be cleared so that we know for sure," Mr Bassett said.

"All Queenslanders want peace of mind about the safety of their buildings.

"Buildings affected by nonconforming cladding can potentially be a real risk and we're moving quickly to address that risk."

Building of three storeys or more built from 1994 onwards are expected to register and complete the checklist by 29 March 2019.